



Billing Code 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal Nos. 13-36)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives,

Transmittals 13-36 with attached transmittal and policy justification.

Dated: August 9, 2013.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

The Honorable John A. Boehner
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

AUG 02 2013

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 13-36, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to India for defense articles and services estimated to cost \$885 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, reading "William E. Landay III".

William E. Landay III
Vice Admiral, USN
Director

Enclosures:

1. Transmittal
2. Policy Justification



Transmittal No. 13-36

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: India
- (ii) Total Estimated Value:

Major Defense Equipment*	\$625 million
Other	<u>\$260 million</u>
TOTAL	\$885 million
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: 145 M777 155mm Light-Weight Towed Howitzers with Laser Inertial Artillery Pointing Systems (LINAPS), warranty, spare and repair parts, support and test equipment, publications and technical documentation, maintenance, personnel training and training equipment, U.S. Government and contractor representatives' technical assistance, engineering and logistics support services, and other related elements of logistics support.
- (iv) Military Department: Army (UAD)
- (v) Prior Related Cases, if any: None
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: None
- (viii) Date Report Delivered to Congress: 02 August 2013

* as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

India – M777 155mm Light-Weight Towed Howitzers

The Government of India has requested a possible sale of 145 M777 155mm Light-Weight Towed Howitzers with Laser Inertial Artillery Pointing Systems (LINAPS), warranty, spare and repair parts, support and test equipment, publications and technical documentation, maintenance, personnel training and training equipment, U.S. Government and contractor representatives' technical assistance, engineering and logistics support services, and other related elements of logistics support. The estimated cost is \$885 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to strengthen the U.S.-India strategic relationship and to improve the security of an important partner which continues to be a for political stability, peace, and economic progress in South Asia.

India intends to use the howitzers to modernize its armed forces and enhance its ability to operate in hazardous conditions. India will have no difficulty absorbing these weapons into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractors will be BAE of Hattiesburg, Mississippi; Watervliet Arsenal of Watervliet, New York; Seiler Instrument Company of St Louis, Missouri; Triumph Actuation Systems of Bloomfield, Connecticut; Taylor Devices of North Tonawanda, New York; Hutchinson Industries of Trenton, New Jersey; and Selex, Edinburgh, United Kingdom. In accordance with the Indian Defense Procurement Procedure (DPP), it is anticipated that the vendor will be required to negotiate an offset contract with the government of India.

Implementation of this proposed sale will require annual trips to India involving up to eight (8) U.S. Government and contractor representatives for technical reviews/support, training, and in-country trials for a period of approximately two years.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

This congressional notification transmittal number 13-BJ will supersede previously notified transmittal 09-DB.

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